

Health Benefits Fund
For the period ended December 31, 2005
(amounts expressed in thousands)

	FY2006					
	CAFR FY2005	Adopted Budget	Current Budget	YTD	Controller's Projection	F & A Projection
Operating Revenues						
City Medical Plans	\$ 200,879	\$ 234,349	\$ 234,349	\$ 109,173	\$ 217,609	\$ 217,609
City Dental Plans	7,811	8,483	8,483	4,025	8,304	8,304
City Life Insurance Plans	5,230	5,565	5,565	2,676	5,560	5,560
Dependent Care Reimbursement	139	160	160	68	160	160
Operating Revenues	<u>214,059</u>	<u>248,557</u>	<u>248,557</u>	<u>115,942</u>	<u>231,633</u>	<u>231,633</u>
Operating Expenses						
Operating Expenses						
City Medical Plan Claims	198,537	231,299	231,299	105,498	215,602	215,602
City Dental Plan Claims	7,811	8,483	8,483	4,025	8,304	8,304
City Life Insurance Plans	5,226	5,565	5,565	2,674	5,560	5,560
Administrative Costs	2,651	3,450	3,450	1,257	3,450	3,450
Dependent Care	139	160	160	68	160	160
Operating Expenses	<u>214,364</u>	<u>248,957</u>	<u>248,957</u>	<u>113,522</u>	<u>233,076</u>	<u>233,076</u>
Operating Income (Loss)	(305)	(400)	(400)	2,420	(1,443)	(1,443)
Nonoperating Revenues (Expenses)						
Interest Income	538	350	350	262	350	350
Prior Year Expense Recovery	2	50	50	1,001	1,001	1,001
Nonoperating Revenues (Expenses)	<u>540</u>	<u>400</u>	<u>400</u>	<u>1,263</u>	<u>1,351</u>	<u>1,351</u>
Pension Bond Proceeds	71	0	0	0	0	0
Net Income (Loss)	306	0	0	3,683	(92)	(92)
Net Assets, Beginning of Year	<u>768</u>	<u>1,074</u>	<u>1,074</u>	<u>1,074</u>	<u>1,074</u>	<u>1,074</u>
Net Assets, End of Year	\$ <u>1,074</u>	\$ <u>1,074</u>	\$ <u>1,074</u>	\$ <u>4,757</u>	\$ <u>982</u>	\$ <u>982</u>

About the Fund:

The Health Benefits Fund is an Internal Service Fund administered by the Human Resources Department. The Fund was established in 1984 to centralize the financial transactions for the City's benefit plans. In May 1994, the entire health benefits delivery system was revamped with a new system that employs aggressive managed care features. HMOBlueTexas (HMOBTX) provides Health Maintenance Organization (HMO) and Point of Service (POS) plan, with limits on annual increases. These plans are supported by contributions from the City and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.